GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:6075
ANSWERED ON:27.04.2001
CUSTOMS DUTY STRUCTURE FOR SSI
T.M. SELVAGANAPATHI

Will the Minister of FINANCE be pleased to state:

(a) whether the representatives of the small-scale sector have urged the Government to nationalize the customs duty structure by introducing a three tier rate structure on final products, intermediate goods and raw materials and components;

(b) if so, the action taken thereon;and

(c) the other steps taken by the Government with regard to the grievances of SSI sector?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (BALASAHEB VIKHE PATIL)

(a) Yes sir.

(b) Government had examined various representations with regard to customs duty rates as part of the 2001-2002 Budget exercise. However it was not found possible to reduce the number of customs duty rates, at this stage.

(c) A comprehensive policy package for the SSI sector was announced on 30-8- 2000 . The package included inter alia, fiscal and credit support, better infrastructural and marketing facilities, incentives for technology upgradation as well as increase in the excise exemption limit to Rs 1crore. Subsequently . Government have taken other fiscal measures to mitigate the grievances of the SSI sector like rationalization of the duty structure of raw materials and components in certain cases, and charging of additional duty of customs on MRP basis .